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## Key Address on Economic Aspects of the Space Age

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HENRY COLEMAN

Henry C. Coleman has been in banking since 1937 when he came to Daytona as Ass't Secretary-Treasurer of Industrial Savings Bank. He held a large number of positions before becoming President in 1952 and, in 1960, Chairman of the Commercial Bank at Daytona Beach. A 1926 graduate of Clemson College, Mr. Coleman is active in many banking and civic organizations, some of which are: trustee of Florida Presbyterian College; Florida Council of 100; advisory board of the Small Business Administration, Vice-President of U. S. Chamber of Commerce, and President of the Florida Chamber of Commerce.

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ECONOMIC ASPECTS OF THE SPACE AGE

Three decades ago our nation was suffering from the worst depression in its history. Florida was suffering from the double effects of the nation's depression and the erosion of its economy following the collapse of the real estate boom in the mid-twenties.

During the 1930's our state regained some of its economic composure, but the gathering war clouds which appeared on the horizon toward the end of the decade meant certain trouble. No segment of our nation was prepared to meet the terrific readjustments demanded by the all-out war which began in 1941 - least of all, Florida.

Tourism then, as it does today, represented a most important part of the state's economy. With the advent of gas and tire rationing, travel restriction, and the press of war duties (including military service), our tourist trade dwindled to the vanishing point. And actually, we did not have too much to offer the tourist had he been able to get here. Our hotels and motels were poorly staffed and in most cases blacked out, our beaches covered with oil and tar from sunken off-shore shipping.

In those days Florida had little manufacturing to take up the slack caused by the virtual disappearance of tourism. Thus our state was faced with unusually severe economic readjustment. It was only through the establishment of military installations around the state that we were able to regain some semblance of economic normalcy. And these proved to be a double blessing. They not only gave us payrolls and rentals for some of our vacant tourist facilities, but perhaps more importantly, brought thousands of temporary residents to our state, many of whom came back to live after war's end.

Florida's increasing popularity was quickly evident and in the early fifties the tide of inflowing new residents swelled to unbelievable proportion. In that decade our population grew from 2,771,305 to 4,951,560, a gain of 78.7% as compared with 18.5% for the nation as a whole. As the decade of the sixties approached, the prognosticators had difficulty in finding terms which would adequately describe the magic era into which we were about to enter. The "Scintillating Sixties" seemed to have the most alliterative appeal and perhaps was the most apt phrase for what we expected to happen to our economy in the new decade.

But somehow we just didn't seem to be able to "scintillate." Actually, we found ourselves drifting into a recession. As usual there existed a lag between the economic change in Florida and the national trend; and before the recession became too serious for us we suddenly found ourselves launched into the space era. To be sure, we had been spending a few paltry billions per year on space research following the successful orbit of Russia's first sputnik in 1957. But in 1961, we got down to serious business and in early 1962 actually put a man in orbit. By mid-year this remarkable feat had become commonplace with the Russians and much less complicated for us.

In the late summer of 1962 our scientists began concentrating on sending a man to the moon. There are those who decry the expenditure of billions on such a project, but I daresay the percentage of our population which seriously criticize such efforts is much smaller than was the case some 60 years ago when the Wright Brothers insisted upon exploiting the silly theory that man could fly.

The eyes of the world have been focused upon Cape Canaveral for almost a decade, but interest in our State has been intensified since government acquisition of land for the Nova project contiguous to the Cape.

The continued development and expansion of the Nova project is inevitable; not only because of competitive pressure from Russia, but for many other reasons. The political and scientific leaders of the country are convinced that the nation which controls outer space will control the world for decades (maybe centuries) to come. Moreover, development and improvement are assured in many peacetime areas. To name a few: communications, transportation, navigation, cartography, and long-range weather forecasting.

It is easy to visualize the continued expenditure of billions for space development each year - and much of it in Florida. Visualizing the effects on our economy is more difficult. In the space picture, Florida today probably stands where California stood a quarter century ago in aeroplane development. And if we become the "Space State" (as we very well could) the effect on our economy will be fantastic. The estimate of a population of 7-1/2 million for the state by 1970 will have to be revised upward, and the prediction of 2 million for the "Golden Triangle" (Daytona Beach-Orlando-Vero Beach) may turn out to be conservative.

The expenditure of billions in federal funds for payrolls, facilities and services could in itself create a Florida boom. When we add the billions in private money that will be spent in the development of industry which will inevitably follow in the steps of the space program, it is difficult to imagine what the end result will be. And remember, these things will be in addition to our normal growth in tourism, new year-round residents, agriculture and industry.

And remember, too, the aggregate effect will bring problems in many areas. To name a few: schools, roads, water supply, sewerage disposal, housing, communications and transportation. Meeting the needs for expansion in these areas will involve the expenditure of additional millions which in turn will boost our economy.

In considering the economic aspects of the space age, we must come to the conclusion that its development will perhaps bring a new era of prosperity to the State of Florida. The area known as the "Golden Triangle" will be affected most, but the whole state cannot but benefit from the billions of dollars involved.